

Exhibit 300 (BY2008)

PART ONE	
OVERVIEW	
1. Date of Submission:	2006-11-07
2. Agency:	015
3. Bureau:	45
4. Investment Name:	Integrated Data Retrieval System (IDRS)
5. UPI:	015-45-01-11-01-2218-00
6. What kind of investment will this be in FY2008?	
Mixed Life Cycle	
7. What was the first budget year this investment was submitted to OMB?	
FY2004	
8. Provide a brief summary and justification for this investment, including a brief description of how this closes in part or in whole an identified agency performance gap.	
<p>The Integrated Data Retrieval System (IDRS) is an IRS mission critical system consisting of databases and programs supporting IRS employees working active tax cases. It manages data retrieved from the Tax Master Files allowing IRS employees to take specific actions on taxpayer account issues, track status and post updates back to the Master Files. It provides for systemic review of case status, alleviating staffing needs and providing consistency in case control. Actions taken via IDRS include notice issuance, installment agreement processing, offers in compromise, adjustment processing, penalty and interest computations and explanations, credit and debit transfers within an account or other related accounts and research of taxpayer accounts for problem resolution of taxpayer inquiries. The subsystems that comprise IDRS are used collectively for various actions taken on account issues to support account activity. In addition, numerous reports and information are produced by IDRS to support sending and receiving information to other systems within the IRS, Social Security Administration, Financial Management Service (FMS), state and local governments and tax practitioner businesses both in and outside the United States. With IRS Modernization, the Customer Account Data Engine (CADE) will eventually replace the Tax Master Files and the fully modernized system will enable updates to the CADE. IRS is currently evaluating options for providing customer account management services that can provide updates to CADE in a modernized environment and maintain continuity with IDRS through the transition years. The IRS ensures that operating systems are executed in a disciplined, well-managed, and consistent manner through timely oversight, quality control, and executive review. As a Steady State system, IDRS is continuously monitored for cost, schedule, and project performance. It is in the Control Phase of the IRS Capital Planning Investment Control (CPIC) process. Project Deliverables: Continue providing the operational functionality and make the necessary legislative updates to ensure continued customer support for both the front line IRS employees and the taxpayer service.</p>	
9. Did the Agency's Executive/Investment Committee approve this request?	
yes	
9.a. If "yes," what was the date of this approval?	
2006-08-09	
10. Did the Project Manager review this Exhibit?	
yes	
11. Project Manager Name:	
Bahnke, Karen	
Project Manager Phone:	
313-234-1360	
Project Manager Email:	
karen.bahnke@irs.gov	
12. Has the agency developed and/or promoted cost effective, energy-efficient and environmentally sustainable techniques or practices for this project.	
no	
12.a. Will this investment include electronic assets (including computers)?	
no	

12.b. Is this investment for new construction or major retrofit of a Federal building or facility? (answer applicable to non-IT assets only)	
no	
13. Does this investment support one of the PMA initiatives?	
yes	
If yes, select the initiatives that apply:	
Budget Performance Integration	
Expanded E-Government	
Financial Performance	
13.a. Briefly describe how this asset directly supports the identified initiative(s)?	
Financial performance supported by IRS compliance activities; Performance measures and metrics for tracking success of filing season changes at/after production deployment; Employer Identification Number applications are received via the Internet.	
14. Does this investment support a program assessed using OMB's Program Assessment Rating Tool (PART)?	
yes	
14.a. If yes, does this investment address a weakness found during the PART review?	
no	
14.b. If yes, what is the name of the PART program assessed by OMB's Program Assessment Rating Tool?	
Internal Revenue Service Submission Processing	
14.c. If yes, what PART rating did it receive?	
Moderately Effective	
15. Is this investment for information technology (See section 53 for definition)?	
yes	
16. What is the level of the IT Project (per CIO Council's PM Guidance)?	
Level 3	
17. What project management qualifications does the Project Manager have? (per CIO Council's PM Guidance)	
(1) Project manager has been validated as qualified for this investment	
18. Is this investment identified as high risk on the Q4 - FY 2006 agency high risk report (per OMB's high risk memo)?	
yes	
19. Is this a financial management system?	
no	
19.a.2. If no, what does it address?	
The Integrated Data Retrieval System (IDRS) aligns to the Treasury Architecture Plan through the Taxation Management vertical Line of Business. IDRS sub-components are found in "Taxation Management" within Appendix D of Treasury's FY2006 IT Portfolio Alignment Summary. The Treasury Transition Strategy does not address the "Taxation Management" Line of Business/Sub-function until FY2007. IDRS aligns to the IRS Enterprise Transition Plan, Volume 1, Section 4.1.2 "Strategic Assessment".	
20. What is the percentage breakout for the total FY2008 funding request for the following? (This should total 100%)	
Hardware	0
Software	0
Services	0
Other	100
21. If this project produces information dissemination products for the public, are these products published to the Internet in conformance with OMB Memorandum 05-04 and included in your agency inventory, schedules and priorities?	
no	
22. Contact information of individual responsible for privacy related questions.	
Name	
Barbra Symonds	

<i>Phone Number</i>			
202-927-5170			
<i>Title</i>			
Director, Office of Privacy			
<i>Email</i>			
barbra.symonds@irs.gov			
23. Are the records produced by this investment appropriately scheduled with the National Archives and Records Administration's approval?			
yes			
SUMMARY OF SPEND			
1. Provide the total estimated life-cycle cost for this investment by completing the following table. All amounts represent budget authority in millions, and are rounded to three decimal places. Federal personnel costs should be included only in the row designated Government FTE Cost, and should be excluded from the amounts shown for Planning, Full Acquisition, and Operation/Maintenance. The total estimated annual cost of the investment is the sum of costs for Planning, Full Acquisition, and Operation/Maintenance. For Federal buildings and facilities, life-cycle costs should include long term energy, environmental, decommissioning, and/or restoration costs. The costs associated with the entire life-cycle of the investment should be included in this report.			
All amounts represent Budget Authority			
(Estimates for BY+1 and beyond are for planning purposes only and do not represent budget decisions)			
	PY-1 & Earlier	PY	CY
	-2005	2006	2007
Planning Budgetary Resources	0.000	0.000	0.000
Acquisition Budgetary Resources	0.000	0.000	0.000
Maintenance Budgetary Resources	0.000	1.085	1.085
Government FTE Cost	61.029	16.841	16.560
# of FTEs	609	152	152
Note: For the cross-agency investments, this table should include all funding (both managing partner and partner agencies).			
Government FTE Costs should not be included as part of the TOTAL represented.			
2. Will this project require the agency to hire additional FTE's?			
no			
3. If the summary of spending has changed from the FY2007 President's budget request, briefly explain those changes.			
A programmatic Baseline Change Request for FY08 is being submitted to Treasury based upon the FY 2006 Appropriation, the FY 2007 Congressional Justification, and the FY 2008 Treasury submission budget numbers compiled by the MITS Financial Management Services (FMS) organization. The budget numbers identified in the Summary of Spending table are the new baseline numbers being proposed and will not match the 1.H Tables until the new re-baseline is externally approved by Treasury.			
PERFORMANCE			
In order to successfully address this area of the exhibit 300, performance goals must be provided for the agency and be linked to the annual performance plan. The investment must discuss the agency's mission and strategic goals, and performance measures must be provided. These goals need to map to the gap in the agency's strategic goals and objectives this investment is designed to fill. They are the internal and external performance benefits this investment is expected to deliver to the agency (e.g., improve efficiency by 60 percent, increase citizen participation by 300 percent a year to achieve an overall citizen participation rate of 75 percent by FY 2xxx, etc.). The goals must be clearly measurable investment outcomes, and if applicable, investment outputs. They do not include the completion date of the module, milestones, or investment, or general goals, such as, significant, better, improved that do not have a quantitative or qualitative measure.			
Agencies must use Table 1 below for reporting performance goals and measures for all non-IT investments and for existing IT investments that were initiated prior to FY 2005. The table can be extended to include measures for years beyond FY 2006.			
Table 1			

	Fiscal Year	Strategic Goal(s) Supported	Performance Measure	Actual/baseline (from Previous Year)	Planned Performance Metric (Target)	Performance Metric Results (Actual)
1	2005	Treasury Strategic Goal: Manage U.S. Government's Finances Effectively. IRS Strategic Goal: (1) Top-Quality service to each taxpayer in every interaction. (2) Productivity through a quality work environment.	Create access to one consolidated CAF database file on the IBM using DB2, eliminating transfer delays of files from Unisys for notice processing.	0%	100%	100%
2	2005	Treasury Strategic Goal: Manage U.S. Government's Finances Effectively. IRS Strategic Goal: (1) Top-Quality service to each taxpayer in every interaction. (2) Productivity through a quality work environment.	Increase the number of Laser Signatures allowed in the Correspondex System (CRX) at each campus	40%	200%	275%
3	2005	Treasury Strategic Goal: Manage U.S. Government's Finances Effectively. IRS Strategic Goal: (1) Top-Quality service to each taxpayer in every interaction. (2) Productivity through a quality work environment	Reduce the remaining volume of Correspondex letters printed at ten Campus print sites by moving the print function of the Complex C letters to the centralized and modernized National Print sites.	50%	75%	85%
4	2005	Treasury Strategic Goal: Manage U.S. Government's Finances Effectively. IRS Strategic Goal: (1) Top-Quality service to each taxpayer in every interaction. (2) Productivity through a quality work environment.	Reduce paper submission of requests for Employer Identification Numbers by interfacing the manual system with Internet request front end processing.	0%	25%	45%
5	2006	Treasury Strategic Goal: Manage U.S. Government's Finances Effectively. IRS Strategic Goal: (1) Top-Quality service to each taxpayer in every interaction.	Improve the closure time for Priority 1 production problem tickets. For FY2005, 28.57% of the total number of Priority 1 production problem tickets were closed within 4 hours. For FY2006, our goal is to close at least	28.57%	50%	75%

		(2) Productivity through a quality work environment.	50% of the total within 4 hours.			
6	2006	Treasury Strategic Goal: Manage U.S. Government's Finances Effectively. IRS Strategic Goal: (1) Top-Quality service to each taxpayer in every interaction. (2) Productivity through a quality work environment.	Reduce the number of Internet EIN applications processed manually by processing them automatically through the new I-EIN bridge. As of September 30, 2005 we had 2.24 million I- EIN applications and 0% were processed automatically. For FY06 the goal is to process at least 50% automatically through the bridge. As of September 30, 2006 2.22 million were received and 1.522 million were processed automatically through the bridge, giving us a 68.5% automation to date.	0%	50%	68.5%
7	2007	Treasury Strategic Goal: Manage U.S. Government's Finances Effectively. IRS Strategic Goal: (1) Top-Quality service to each taxpayer in every interaction. (2) Productivity through a quality work environment.	Reduce by 10% the volume of telephone calls received for transcripts of Reporting Agents by providing for Internet requests through e-Services.	340,000	306,000	The actual statistics will be applied at the end of Fiscal Year 2007.
8	2007	Treasury Strategic Goal: Manage U.S. Governments Finances Effectively. IRS Strategic Goal: (1) Top Quality Service to each taxpayer in every interaction. (2) Productivity through a quality work environment.	Reduce the volume of CRX certified letters processed manually at the local print sites by 20% by moving them to the automated processing at the National Print Site (NPS).	500,918	400,734	The actual statistics will be applied at the end of Fiscal Year 2007.
19	2004	Treasury Strategic Goal: Manage U.S. Governments Finances Effectively. IRS Strategic Goal: (1) Top Quality Service to each taxpayer in every interaction. (2) Productivity through a quality work environment.	Decrease processing time for posting of Powers of Attorney (Form 2848 and 8821) document information through the use of electronically filed taxpayer representation and information release authorizations.	0%	100%	100%
20	2004	Treasury Strategic Goal: Manage U.S.	Eliminate case transfers between IRS Service	0%	25%	30%

		Governments Finances Effectively. IRS Strategic Goal: (1) Top Quality Service to each taxpayer in every interaction. (2) Productivity through a quality work environment.	Center campuses through centralization of the Taxpayer Information File (TIF) reducing the 10 databases down to one database for each type of filing.			
21	2004	Treasury Strategic Goal: Manage U.S. Governments Finances Effectively. IRS Strategic Goal: (1) Top Quality Service to each taxpayer in every interaction. (2) Productivity through a quality work environment.	Transform 100 percent of RAF database to DB2 for future inclusion into the e- services modernization suite for providing taxpayer data through the Transcript Delivery System (TDS).	0%	100%	100%
22	2004	Treasury Strategic Goal: Manage U.S. Governments Finances Effectively. IRS Strategic Goal: (1) Top Quality Service to each taxpayer in every interaction. (2) Productivity through a quality work environment.	Reduce the volume of Correspondex letters printed at ten Campus print sites.	0%	50%	65%

All new IT investments initiated for FY 2005 and beyond must use Table 2 and are required to use the FEA Performance Reference Model (PRM). Please use Table 2 and the PRM to identify the performance information pertaining to this major IT investment. Map all Measurement Indicators to the corresponding "Measurement Area" and "Measurement Grouping" identified in the PRM. There should be at least one Measurement Indicator for at least four different Measurement Areas (for each fiscal year). The PRM is available at www.egov.gov.

Table 2

Fiscal Year	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Planned Improvement to the Baseline	Actual Results
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EA

In order to successfully address this area of the business case and capital asset plan you must ensure the investment is included in the agency's EA and Capital Planning and Investment Control (CPIC) process, and is mapped to and supports the FEA. You must also ensure the business case demonstrates the relationship between the investment and the business, performance, data, services, application, and technology layers of the agency's EA.

1. Is this investment included in your agency's target enterprise architecture?

no

1.a. If no, please explain why?

IDRS is consistent with the Current Production Environment (CPE) of the IRS Enterprise Architecture (EA) and is found in the As-Built-Architecture (ABA) section of the IRS EA. The Modernization Blueprint has components that will eventually replace IDRS with new technology. During the intervening years, IDRS will be updated to provide bridges to the modernized system until complete replacement can occur. In addition to being

consistent with the IRS Current Production Environment (CPE), IDRS is consistent with the IRS Mission Assurance and Security Services (MA&SS) Master Inventory of FISMA Major Projects. IDRS is a Legacy System in the O&M phase of the systems life cycle. The investment will continue to meet customer and stakeholder expectations until modernization (AMS, CADE, F&PC) fully replaces IDRS in FY2016. Until then, IDRS will continue to achieve improvements in work efficiencies for the IRS through system changes and interim interfaces developed to modernized systems. These improved system efficiencies described in Section 1.B.8 of the Justification and the measurements outlined in Section I.C of the Performance Goals and Measures will be used in deriving the internal and external performance benefits for future years in reducing investment costs.

2. Is this investment included in the agency's EA Transition Strategy?

yes

2.a. If yes, provide the investment name as identified in the Transition Strategy provided in the agency's most recent annual EA Assessment.

The Integrated Data Retrieval System (IDRS) aligns to the Treasury Architecture Plan through the Taxation Management vertical Line of Business. IDRS sub-components are found in "Taxation Management" within "Appendix D" of Treasury's FY06 IT Portfolio Alignment Summary. The Treasury Transition Strategy does not address the "Taxation Management" Line of Business/Sub-function until FY2007. IDRS aligns to the IRS Enterprise Transition Plan, Volume 1, Section 4.1.2 "Strategic Assessment".

3. Identify the service components funded by this major IT investment (e.g., knowledge management, content management, customer relationship management, etc.). Provide this information in the format of the following table. For detailed guidance regarding components, please refer to <http://www.whitehouse.gov/omb/egov/>.

Component: Use existing SRM Components or identify as NEW. A NEW component is one not already identified as a service component in the FEA SRM.

Reused Name and UPI: A reused component is one being funded by another investment, but being used by this investment. Rather than answer yes or no, identify the reused service component funded by the other investment and identify the other investment using the Unique Project Identifier (UPI) code from the OMB Ex 300 or Ex 530 submission.

Internal or External Reuse?: Internal reuse is within an agency. For example, one agency within a department is reusing a service component provided by another agency within the same department. External reuse is one agency within a department reusing a service component provided by another agency in another department. A good example of this is an E-Gov initiative service being reused by multiple organizations across the federal government.

Funding Percentage: Please provide the percentage of the BY requested funding amount used for each service component listed in the table. If external, provide the funding level transferred to another agency to pay for the service.

	Agency Component Name	Agency Component Description	Service Type	Component	Reused Component Name	Reused UPI	Internal or External Reuse?	Funding %
1	Tax Account Management Business Logic	Manages the lifecycle of cases/issues or data for Taxpayer examinations/collections/appeals/litigation/criminal investigations	Data Management	Data Exchange			No Reuse	
2	Customer/Account Management	Provides real-time access and update of tax accounts on the databases, based on communication and activity with the taxpayers.	Customer Relationship Management	Customer / Account Management			No Reuse	
3	Tax Account Management Business Logic	Provides the automated means to assign, track, and process Tax Accounts in IRS Collection status.	Tracking and Workflow	Process Tracking			No Reuse	

4. To demonstrate how this major IT investment aligns with the FEA Technical Reference Model (TRM), please list the Service Areas, Categories, Standards, and Service Specifications supporting this IT investment.

FEA SRM Component: Service Components identified in the previous question should be entered in this column. Please enter multiple rows for FEA SRM Components supported by multiple TRM Service Specifications.

Service Specification: In the Service Specification field, Agencies should provide information on the specified technical standard or vendor product mapped to the FEA TRM Service Standard, including model or version numbers, as appropriate.

	SRM Component	Service Area	Service Category	Service Standard	Service Specification (i.e., vendor and product name)
1	Data Exchange	Service Interface and Integration	Interoperability	Data Transformation	IRS written code
2	Customer / Account	Component Framework	Business Logic	Platform Dependent	IRS written code

3	Process Tracking	Component Framework	Data Management	Reporting and Analysis	IRS written code
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5. Will the application leverage existing components and/or applications across the Government (i.e., FirstGov, Pay.Gov, etc)?

no

6. Does this investment provide the public with access to a government automated information system?

no

PART TWO
RISK
<i>You should perform a risk assessment during the early planning and initial concept phase of the investment's life-cycle, develop a risk-adjusted life-cycle cost estimate and a plan to eliminate, mitigate or manage risk, and be actively managing risk throughout the investment's life-cycle.</i>
<i>Answer the following questions to describe how you are managing investment risks.</i>
1. Does the investment have a Risk Management Plan?
yes
1.a. If yes, what is the date of the plan?
2006-10-18
1.b. Has the Risk Management Plan been significantly changed since last year's submission to OMB?
no
3. Briefly describe how investment risks are reflected in the life cycle cost estimate and investment schedule: (O&M investments do NOT need to answer.)
Each year IDRS works with the customer organizations to prioritize their annual change requests to mitigate risks affected by the life cycle costs and investment schedule.
COST & SCHEDULE
<i>Does the earned value management system meet the criteria in ANSI/EIA Standard 748?</i>
no
<i>What costs are included in the reported Cost/Schedule Performance information?</i>
Government Only
2.e. As of date:
2006-12-31
7.b. If yes, explain the variance.
IDRS is currently on schedule and within projected costs.
8. Have any significant changes been made to the baseline during the past fiscal year?
no